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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Telecommunications Division
Carrier Branch**

**RESOLUTION T-17006
April 27, 2006**

R E S O L U T I O N

Resolution T-17006:

Citizens Telecommunications Company of California (U-1024-C; dba: Frontier Communications of California), In Advice Letter No. 934, Requests Authority to Make Changes to Its "Employee Telephone Concession Service" Tariff Schedule Cal. P.U.C. No. A7;

Citizens Telecommunications Company of Tuolumne (U-1023-C; dba: Frontier Communications of Tuolumne), In Advice Letter No. 169, Requests Authority to Make Changes to Its "Employee Telephone Concession Service" Tariff Schedule Cal. P.U.C. No. A-12; and

Citizens Telecommunications Company of the Golden State (U-1025-C; dba: Frontier Communications of the Golden State), In Advice Letter No. 179, Requests Authority to Make Changes to Its "Employee Telephone Concession Service" Tariff Schedule Cal. P.U.C. No. A-22.

By Advice Letter No. 934 - Filed February 15, 2006; Advice Letter No. 169 - Filed February 15, 2006; and Advice Letter No. 179 - Filed February 15, 2006, respectively.

SUMMARY

This Resolution authorizes Citizens Telecommunications Company of California (California Citizens) and Citizens Telecommunications Company of the Golden State (Golden State Citizens) to grandfather their 75% employee telephone concession service associated with its residential "Citizens Select" service offering and also authorizes Citizens Telecommunications Company of Tuolumne (Tuolumne Citizens) to withdraw its 75% employee telephone concession (since the carrier has no employees on this concession plan) associated with its existing residential "Citizens Select" service offering.

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This Resolution also authorizes California Citizens, to introduce a 50% employee telephone concession associated with its "Frontier Choices" tariff offering and "Frontier California Choices" package offering, and also authorizes Tuolumne Citizens and Citizens Golden State to introduce a 50% employee telephone concession associated with its "Frontier Choices" tariff offering.

BACKGROUND

California Citizens - By Advice Letter (AL) No. 934, filed February 15, 2006, California Citizens requests authority to grandfather its 75% employee telephone concession service (employee concession) associated with its residential "Citizens Select" service offering from its Schedule A10 tariff and authority to introduce a 50% employee concession associated with its "Frontier Choices" tariff offering and "Frontier California Choices" package offering, to its Schedule A10 tariff.

In AL No. 934, California Citizens stated they noticed all affected employees at the same time the Advice Letter was filed with the Commission.

Tuolumne Citizens - By Advice Letter No. 169 - Filed February 15, 2006, Tuolumne Citizens requests authority to withdraw its 75% employee concession associated with its existing residential "Citizens Select" service offering from its Schedule A-12 tariff and authority to introduce a 50% employee concession associated with "Frontier Choices" tariff offering, to its Schedule A-12 tariff.

In AL No. 169, Tuolumne Citizens stated that, "No customer (sic) notification is required for this filing due to the fact there are no existing or retired employees subscribing to the 75% Employee Discount Program."

Golden State Citizens - By Advice Letter No. 179 - Filed February 15, 2006, Golden State Citizens requests authority to grandfather its 75% employee concession associated with its residential "Citizens Select" service offering from its Schedule A-22 tariff and authority to introduce a 50% employee concession associated with its "Frontier Choices" tariff offering, to its Schedule A-22 tariff.

In AL No. 179, Golden State Citizens submitted an employee notice which Joseph Chicoine of the utility confirmed had been sent to all affected employees at the same time the Advice Letter was filed with the Commission.

NOTICE/PROTESTS

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California Citizens - California Citizens states that copies of AL No. 934 was mailed to competing and adjacent utilities and/or other utilities, and other interested parties. Notice of AL No. 934 was published in the Commission's Daily Calendar of February 22, 2006. TD received no protests in response to this Advice Letter filing.

Tuolumne Citizens - Tuolumne Citizens states that copies of AL No. 169 was mailed to competing and adjacent utilities and/or other utilities, and other interested parties. Notice of AL No. 169 was published in the Commission's Daily Calendar of February 22, 2006. TD received no protests in response to this Advice Letter filing.

Golden State Citizens - Golden State Citizens states that copies of AL No. 179 was mailed to competing and adjacent utilities and/or other utilities, and other interested parties. Notice of AL No. 179 was published in the Commission's Daily Calendar of February 22, 2006. TD received no protests in response to this Advice Letter filing.

DISCUSSION

California Citizens - Currently, all existing full-time and part-time employees of California Citizens are eligible to receive a 75% employee concession (discount) on certain telephone services associated with California Citizens' residential "Citizens Select" or its residential "Citizens Select Plus" bundled service plans as described in California Citizens' Schedule A10 tariff. The "Citizens Select" plan consists of a flat rate residential access line and a choice of 7 custom calling features from a list of 12 such as Call Forward Busy, Call Forward No Answer, Call Waiting ID, Three Way Calling, etc. The "Citizens Select Plus" plan consists of a flat rate residential access line and a choice of any or all custom calling features from a list of 19 such as Anonymous Call Rejection, Call Forward Busy, Call Forward No Answer, Call Waiting ID, Three Way Calling, Voice Mail Basic, Selective Call Acceptance, etc.

Eligible California Citizens' full-time and part-time employees would continue to receive this 75% employee concession after adoption of this Resolution. However, all eligible full-time and part-time employees hired after the effective date of this Resolution would receive a reduced 50% employee concession associated with "Frontier Choices" tariff offering and "Frontier California Choices" package offerings as described in California Citizens' Schedule A10 tariff. The "Frontier Choices" plan consists of a single party residential access line and a choice of any or all custom calling features from a list of 20 such as Call Forward Busy, Call Forward No Answer, Call Waiting ID, Three Way Calling, 10 local Directory Assistance Calls, etc. The monthly rate for this plan after the 50% discount is \$17.50.

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The "Frontier California Choices" plan consists of a flat rate residential access line and an choice of all or any custom calling features from a list of 19 such as anonymous Call Rejection, Call Forward Busy, Call Forward No Answer, Call Waiting ID, Three Way Calling, Voice Mail Basic, Selective Call Acceptance, etc. The monthly rate for this plan after the 50% discount is also \$17.50. Eligible employees will have their choice of selecting either the Frontier Choices or Frontier California Choices packages. However, the Frontier California Choices selection is only available to employees residing in Zone Usage Measurement exchange areas such as California Citizens' Elk Grove and Meadowview exchanges.

There would be no change to the employee telephone concession status for any retired employee of California Citizens as a result of the adoption of this Resolution. Table #1 below provides a price comparison between the four employee discount calling plans.

The two new employee discount calling plans, proposed by California Citizens, will not affect current employees or current retirees of the Carrier (provided they continue to meet the eligibility requirements) and will only affect newly hired employees. The price difference between the current lowest cost "Citizens Select" plan, after a 50% discount, and the new "Frontier Choices" and the "Frontier California Choices" plan, after a 50% discount, is \$4.02 per month. The discounted rates the new employees will pay appear fair and reasonable considering all the features that are included in the two plans. For these reasons, TD recommends that the Commission approve California Citizen's request.

Tuolumne Citizens - Tuolumne Citizens states that there are no full-time or part-time employees or retirees that currently receive its 75% employee discount program associated with its residential "Citizens Select" or its residential "Citizens Select Plus" bundled service plans as described in Tuolumne Citizens' Schedule A10 tariff. For this reason, Tuolumne Citizens is requesting authority to withdraw this service from its tariff schedule. Approval of Tuolumne Citizens' filing will also introduce to eligible full-time and part-time employees a 50% employee discount telephone concession associated with Tuolumne Citizens' "Frontier Choices" residential bundle offerings as described in the carrier's Schedule A-13 tariff. Table #1 below provides a price comparison between the four employee discount calling plans.

The new employee discount calling plan, proposed by Tuolumne Citizens, will only affect current and newly hired eligible employees. The discounted monthly rate of \$17.50 for the "Frontier Choices" plan that existing and new employees will pay appears fair and reasonable considering all the features included in the new plan. Currently, active employees are not offered any discounted calling plan. For these

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reasons, TD recommends that the Commission approve Tuolumne Citizen's request.

Golden State Citizens – Currently, all existing full-time and part-time employees of Golden State Citizens are eligible to receive a 75% employee discount on certain telephone services associated with Golden State Citizens' residential "Citizens Select" or residential "Citizens Select Plus" bundled service plans as described in California Citizens' Schedule A-21 tariff. These existing eligible full-time and part-time employees would continue to receive this 75% employee telephone concession after adoption of this Resolution. However, all eligible full-time and part-time employees hired after the Resolution's effective date would receive a reduced 50% employee discount on certain telephone services associated with "Frontier Choices" residential bundled offerings in Golden State Citizens' A-21 tariff. There would be no change to the employee telephone concession status for any retired employee of Golden State Citizens as a result of the adoption of this Resolution. Table #1 below provides a price comparison between the four employee discount calling plans.

This new employee discount calling plan, proposed by Golden State Citizens, will not affect current employees or current retirees of the Carrier (provided they continue to meet the eligibility requirements) and will only affect newly hired employees. The price difference between the current lowest cost "Citizens Select" plan, after a 50% discount, and the new "Frontier Choices" plan, after a 50% discount, is \$4.02 per month. The discounted rates the new employees will pay appear fair and reasonable considering all the features that are included in the new plan. For these reasons, TD recommends that the Commission approve Golden State Citizen's request.

Commission approval of TD's recommendations are based on the specifics of this Advice Letter and its associated tariff sheets, and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

In compliance with PU Code Section 311(g), this draft Resolution was mailed on or before March 28, 2006 to the parties of record for public comment. Comments that are filed on a timely basis will be incorporated into the final Resolution.

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Table #1: Comparison of Employee Discount Calling Plans

	Citizens Select	Citizens Select Plus	Frontier Choices	Frontier California Choices
Tariff Plan Monthly Rate	\$26.95	\$31.00	\$35.00	\$35.00
After 75% Discount	\$6.74	\$7.75	\$8.75 ¹	\$8.75 ²
After 50% Discount	\$13.48 ³	\$15.50 ⁴	\$17.50	\$17.50

FINDINGS

California Citizens

1. California Citizens requests authority to grandfather its 75% employee discount telephone concession as a tariffed offering.
2. After adoption of this Resolution, current eligible full-time and part-time employees would continue to receive a 75% employee discount telephone concession associated with California Citizens' residential "Citizens Select" or residential "Citizens Select Plus" bundled service plans as described in California Citizens' Schedule A10 tariff.
3. This filing will introduce to eligible full-time and part-time employees a 50% employee discount telephone concession associated with "Frontier Choices" and "Frontier California Choices" package offerings as described in California Citizens' Schedule A10 tariff.
4. There would be no change to the employee telephone concession status for any retired employee of California Citizens as a result of the adoption of this Resolution.
5. California Citizens states it has sent a notice to each probationary employee affected by this filing.
6. California Citizens has not received any comments or protests from any parties.
7. Parties listed in California Citizens' filing were served with a draft of this Resolution pursuant to P.U. Code 311 and no comments were received.

¹ For comparison purposes only, this employee discount calling plan is not being proposed by any of the Carriers.

² Ibid.

³ Ibid.

⁴ Ibid.

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Tuolumne Citizens

8. Citizens Tuolumne requests authority to withdraw its 75% employee discount telephone concession service from its Schedule A-12 tariff.
9. Tuolumne Citizens states that there are no full-time or part-time employees, or retirees that currently receive the 75% employee discount program associated with its residential "Citizens Select" or residential "Citizens Select Plus" bundled service plans as described in its Schedule A10 tariff.
10. This filing will introduce to eligible full-time and part-time employees a 50% employee discount telephone concession associated with "Frontier Choices" residential bundle offerings as described in Tuolumne Citizens' Schedule A-13 tariff.
11. Tuolumne Citizens states that no employee notice was mailed out, due to the fact there are no existing or retired employees subscribing to the 75% employee discount telephone concession.
12. Tuolumne Citizens has not received any comments or protests from any parties.
13. Parties listed in Tuolumne Citizens' filing were served with a draft of this Resolution pursuant to P.U. Code 311 and no comments were received.

Golden State Citizens

14. Golden State Citizens requests authority to grandfather its 75% employee discount telephone concession as a tariffed offering.
15. After adoption of this Resolution, current eligible full-time and part-time employees would continue to receive a 75% employee discount program associated with its Citizens Select Residential service offering in its A-21 tariff.
16. There would be no change to the employee telephone concession status for any retired employees of Golden State Citizens as a result of the adoption of this Resolution.
17. Golden State Citizens states it has sent a notice to each probationary employee affected by this filing.
18. Golden State Citizens has not received any comments or protests from any parties.
19. Parties listed in Golden State Citizens' filing were served with a draft of this Resolution pursuant to P.U. Code 311 and no comments were received.
20. We approve of TD's foregoing recommendations.

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THEREFORE, IT IS ORDERED that:

1. Citizens Telecommunications Company of California (U-1024-C; dba: Frontier Communications of California) is granted authority to grandfather its 75% employee telephone concession discount service associated with its residential "Citizens Select" service offering contained in its Schedule A10 tariff and is also granted authority to concurrently introduce a 50% employee discount program associated with its "Frontier Choices" and Frontier California Choices package offerings, to its Schedule A10 tariff. Authority to make these changes was requested by the Utility in its Advice Letter No. 934.
2. Citizens Telecommunications Company of Tuolumne (U-1023-C; dba: Frontier Communications of Tuolumne) is granted authority to withdraw its 75% employee telephone concession discount service associated with its existing residential "Citizens Select" service offering from its Schedule A-12 tariff and is also granted authority to concurrently introduce a 50% employee telephone concession discount service associated with its "Frontier Choices" package offering, to its Schedule A-12 tariff. Authority to make these changes was requested these changes was requested by the Utility in its Advice Letter No. 169.
3. Citizens Telecommunications Company of the Golden State (U-1025-C; dba: Frontier Communications of the Golden State) is granted authority to grandfather its 75% employee telephone concession discount service associated with its residential "Citizens Select" service offering from its Schedule A-22 tariff and is also granted authority to concurrently introduce a 50% employee telephone concession discount service associated with its "Frontier Choices" package offering, to its Schedule A-22 tariff. Authority to make these changes was requested by the Utility in its Advice Letter No. 179.
4. Advice Letters No. 934; 169; and 179, of Citizens Telecommunications Company of California; Citizens Telecommunications Company of Tuolumne; and Citizens Telecommunications Company of the Golden State, respectively, and accompanying tariff sheets shall be marked to show that they were authorized by California Public Utilities Commission Resolution No. T-17006 with an effective date of April 27, 2006.

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This Resolution is effective today.

I hereby certify that the Public Utilities Commission adopted this Resolution at its regular meeting on April 27, 2005. The following Commissioners approved it.

STEVE LARSON
Executive Director